

VZCZCXRO2051  
OO RUEHBC RUEHCN RUEHDE RUEHDIR RUEHGH RUEHKUK RUEHVC  
DE RUEHBJ #0058/01 0080949  
ZNY SSSSS ZZH  
O 080949Z JAN 09  
FM AMEMBASSY BEIJING  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 1762  
INFO RUEHOO/CHINA POSTS COLLECTIVE IMMEDIATE  
RUCNIRA/IRAN COLLECTIVE IMMEDIATE  
RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 6800  
RUEHBUL/AMEMBASSY KABUL IMMEDIATE 0469  
RUEHNE/AMEMBASSY NEW DELHI IMMEDIATE 4701  
RHEHNSC/NSC WASHDC IMMEDIATE  
RHMFISS/CDR USPACOM HONOLULU HI IMMEDIATE  
RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE  
RHEFDIA/DIA WASHINGTON DC IMMEDIATE  
RUEAIIA/CIA WASHINGTON DC IMMEDIATE

S E C R E T SECTION 01 OF 03 BEIJING 000058

SIPDIS

PACOM FOR FPA AMB CHRISTY

E.O. 12958: DECL: 01/08/2033

TAGS: [PREL](#) [MARR](#) [MASS](#) [PARM](#) [PTER](#) [CH](#) [TW](#) [IR](#) [PK](#) [IN](#) [KN](#)

SUBJECT: PRC: DASD SEDNEY DISCUSSES MIL-MIL, IRAN, TAIWAN  
ARM SALES, ASAT, NON-PRO, OTHER ISSUES WITH AFM LIU JIEYI

Classified By: Political Minister Counselor Aubrey Carlson. Reasons 1.  
4 (b) and (d).

Summary

-----

11. (S) In a December 19 meeting with Assistant Foreign Minister Liu Jieyi, Deputy Assistant Secretary of Defense David Sedney emphasized the need for improving U.S.-China military-to-military relations and stressed that single issues should not interfere with dialogue between the United States and China. AFM Liu concurred with the need for good relations and said an end to arms sales to Taiwan would ensure that bilateral consultations would not be interrupted.

DASD Sedney noted positively the decreased sales of Chinese conventional weapons to Iran but expressed concern about Iran's nuclear program. AFM Liu said that Chinese limitations on arms sales to Iran go beyond UN Security Council resolution restrictions and that China supports the P5 1 process to reach a negotiated solution to the Iran nuclear issue. Both sides agreed on the need to promote peace and stability in South Asia in the wake of the Mumbai terror attacks. Noting China's (Nuclear Suppliers Group) NSG commitments, DASD Sedney expressed concern about the nature of future China-Pakistan nuclear cooperation. AFM Liu affirmed that China would prevent any diversion of nuclear technology or materials for non-nuclear use. Given the importance of such issues as China-Pakistan nuclear cooperation, DASD Sedney urged China to re-engage with the United States on nonproliferation concerns. AFM Liu said China will coordinate with international efforts to combat piracy. AFM Liu asked how long the USG would persist in "meaningless" inquiries on China's anti-satellite tests. DASD Sedney encouraged China to participate in consultations on military cooperation in Africa. AFM Liu said progress with North Korea on the nuclear verification issue may lead to another Six-Party Talks heads of delegation meeting. End Summary.

U.S.-PRC Mil-Mil relations

-----

12. (S) In a December 19 meeting with Assistant Foreign Minister Liu Jieyi, Deputy Assistant Secretary of Defense David Sedney reiterated Secretary of Defense Gates's interest in improving U.S.-China military-to-military ties. DASD Sedney said that the interagency participation on the U.S. delegation demonstrated the seriousness with which the United States considers better military ties with China. Sedney

stressed that no single issue, whether Taiwan, Russia, or any other, should prevent dialogue between the United States and China.

13. (S) AFM Liu responded that China attaches great importance to good military-to-military dialogue and that it looks for avenues for more "concrete, on-the-ground cooperation." The MFA supports efforts to improve mutual trust between the two countries' militaries. Referring to U.S. arms sales to Taiwan, Liu said China "does not want to see (such arms sales) again," as additional sales would "hurt relations, including military-to-military relations." In response to Liu's comment that he "knows U.S. views on Taiwan but does not understand them," DASD Sedney suggested that each side should seek to better understand the other side's position on Taiwan.

14. (S) Noting that one of the objectives of State Councilor Dai Bingguo's mid-December visit to the United States was to ensure that good bilateral ties "transcend the two administrations," Liu said that China wishes to see the progress in building U.S.-China bilateral relations extend into the new U.S. administration.

Iran  
-----

15. (S) Noting a decrease in the sales of Chinese conventional weapons to Iran, DASD Sedney expressed appreciation for China's efforts to limit conventional arms sales to Iran. Sedney emphasized that Iran's spreading of conventional

BEIJING 00000058 002 OF 003

weapons to Iraq, Afghanistan, and Lebanon poses the serious problem of Chinese weapons killing U.S. soldiers. Sedney expressed concern about Iran's nuclear program.

16. (S) AFM Liu stated that China has exercised great restraint in its conventional arms sales to Iran, adding that he is not aware of any new PRC approvals of arms sales to Iran in 2008. Liu said such limits on arms sales go beyond the restrictions of relevant UNSC resolutions and have provoked complaints from Iran. AFM Liu emphasized that China has a policy of close scrutiny on trade in dual-use items and stated that the United States and China "share the same (nonproliferation) objective" in Iran. He added that China shares the basic objectives of freezing enrichment and suspending Iran's nuclear activities. Though Liu said that progress through the P5 1 mechanism has been "slower than expected," he noted that "the door to a negotiated solution is not closed." Liu affirmed that China will continue to cooperate closely in the P5 1 mechanism.

17. (S) DASD Sedney referred to recent statements by Defense Secretary Gates who affirmed that the United States is committed to resolve the Iran nuclear issue through diplomatic efforts, but these efforts must be firm. DASD Sedney stressed the importance of unity among the P5 1 and the international community to reinforce the message to Iran that movement toward nuclear weapons is unacceptable. AFM Liu suggested that the United States undertake a direct dialogue with Iran on the nuclear issue, stating that Iran has responded positively to more direct interaction with the United States.

South Asia  
-----

18. (C) AFM Liu stated that the United States and China should cooperate on South Asia, making efforts to "calm things down" and prevent conflict between India and Pakistan in the aftermath of the November Mumbai terror attacks. Both sides must work to prevent South Asia from becoming a "breeding ground" for terrorism. DASD Sedney concurred that the United States and China should cooperate to promote peace and stability in South Asia, combat the influence and export of

extremism and help Pakistan develop economically. Raising concerns about historic ties between Pakistan's military and extremist groups, DASD Sedney urged the PLA to use its close ties with its Pakistani counterpart to influence the Pakistan military to combat the dangers of extremism, which include terrorist attacks and the destabilization of society.

#### Chashma III-IV and the Nuclear Suppliers Group

-----

¶9. (S) DASD Sedney raised U.S. concerns about further nuclear cooperation between China and Pakistan. He noted development of Chashma III and IV nuclear plants would go beyond extant China-Pakistan nuclear cooperation grandfathered into China's 2004 accession to the Nuclear Suppliers Group. AFM Liu responded that any China-Pakistan nuclear cooperation would be peaceful in nature and under IAEA safeguards. China would prevent any possibility of diversion of technical information or materials to non-peaceful uses, he added. DASD Sedney reminded AFM Liu of Pakistan's poor proliferation record in the past, particularly the activities of A.Q. Khan's network, and suggested that even with the steps the Pakistan Government has taken to address the proliferation, the issue remains a cause for concern.

#### Lack of Nonproliferation Consultations

-----

¶10. (S) DASD Sedney urged that, given the importance of U.S.-China nonproliferation cooperation in addressing China-Pakistan nuclear cooperation, the possibility of a terrorist WMD strike and other proliferation dangers, the MFA re-engage in nonproliferation discussions with the United States. Without mentioning the Taiwan arms sales issues specifically, AFM Liu said that he "hopes there are no differences over issues in the future so that our cooperation will be uninterrupted."

BEIJING 00000058 003 OF 003

#### Anti-Piracy Efforts

-----

¶11. (C) Noting China's decision to send PLA naval vessels to protect Chinese ships sailing around the Horn of Africa and the assistance a Malaysian naval vessel provided to a Chinese ship under threat of hijacking, DASD Sedney welcomed the Chinese decision and encouraged China to use its naval assets against all piracy attacks in the region. DASD Sedney said that PACOM and other U.S. military resources have offered to assist China in communication and coordination. He explained that the United States does not perceive China's participation in these activities as a threat and that this area is one in which China and the United States should work together to advance peace and stability.

¶12. (C) AFM Liu agreed that "any successful effort will have to be a joint effort." He said that China's efforts will be part of international activities against piracy and show that China is "shouldering its responsibility." Liu said China welcomes cooperation and communication with the United States and other concerned countries.

#### ASAT

----

¶13. (S) The United States remains concerned over China's January 2007 anti-satellite (ASAT) test, DASD Sedney said, noting debris fields and a continuing lack of understanding of the reasons for the test. Uncharacteristically, AFM Liu interrupted, and in a tone of consternation he stated that he did not see any point in repeating China's explanation for the test and inquired as to how long the United States will continue to raise this issue. Such inquiries are "meaningless, frankly speaking," Liu said.

#### "Multi-Lateralization" of the INF

-----

¶14. (C) DASD Sedney inquired about China's position on the Russian proposal to "multi-lateralize" the current bilateral U.S.-Russian Intermediate Nuclear Forces (INF) treaty, given recent discussions between China and Russia on this issue. Liu stated that China is studying Russia's proposal.

#### Military Cooperation in Africa

-----

¶15. (C) Given the recent establishment of AFRICOM, DASD Sedney encouraged China to participate in consultations that the United States offered on AFRICOM. Given that both the United States and China have military relations with countries in Africa, cooperation could well be possible and helpful. AFM Liu responded that beyond Chinese military assets employed under UN peacekeeping operations, China has no military activities in China. He noted that military personnel from Africa participate in Chinese-sponsored training programs.

#### Six-Party Talks

-----

¶16. (C) DASD Sedney expressed appreciation for China's positive role in hosting the Six-Party Talks on the North Korea nuclear issue. While it is unfortunate that the latest (December) round of talks did not produce a verification protocol, DASD Sedney said, the United States expects cooperation to continue through this mechanism, with the goal of achieving a nuclear-free Korean Peninsula. AFM Liu affirmed that China will continue to cooperate closely with the United States through the Six-Party Talks process and is advising North Korea that the incoming U.S. administration will not offer "a better deal" than that currently under consideration. Liu said progress with North Korea on the verification issue may lead to another heads of delegation meeting.

¶17. (U) DASD Sedney cleared this message.  
Randt